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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re	§	Chapter 11
	§	
HIGHLAND CAPITAL MANAGEMENT, L.P., ¹	§	Case No. 19-34054-SGJ11
	§	
Debtor.	§	
-----	§	
UBS SECURITIES LLC AND UBS AG	§	Adversary Proceeding
LONDON BRANCH,	§	
	§	No. _____
Plaintiffs,	§	
	§	
vs.	§	
	§	
HIGHLAND CAPITAL MANAGEMENT, L.P.,	§	
	§	
Defendant.	§	

¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

**PLAINTIFFS' MOTION FOR A
TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION**

UBS Securities LLC and UBS AG London Branch (together, “UBS”), plaintiffs in the above-captioned adversary proceeding (the “Adversary Proceeding”), and creditors in the above-captioned chapter 11 case (the “Bankruptcy Case”), by and through their undersigned counsel, file this motion (the “Motion”) against Highland Capital Management, L.P. (“Highland” or the “Debtor”), pursuant to section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), and Rules 7001 and 7065 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), seeking entry of a temporary restraining order and preliminary injunction enjoining the Debtor from engaging in any Prohibited Conduct (as defined below). In support of the Motion, UBS respectfully states the following:

JURISDICTION AND VENUE

1. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334(b). The Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1409.

RELIEF REQUESTED

3. UBS requests that this Court issue the proposed form of restraining order attached hereto as **Exhibit A** (the “Proposed Order”) pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rules 7001 and 7065.
4. For the reasons set forth more fully in *Plaintiffs' Memorandum of Law in Support of Motion for a Temporary Restraining Order and Preliminary Injunction* (the “Memorandum of Law”)² filed contemporaneously with this Motion, UBS seeks to enjoin the Debtor from making

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Memorandum of Law.

or allowing funds under its management or control (including, but not limited to, Multi-Strat and CDO Fund) to make any payments or further transfers to Sentinel or any of its affiliates (the “Sentinel Entities”) or any transferees of the Sentinel Entities consisting of, resulting from, or relating to the Transferred Assets pending a decision of a court of competent jurisdiction as to whether the Transferred Assets were fraudulently transferred to or for the benefit of Sentinel, Dondero, Ellington, and/or any of their affiliates or as part of a fraudulent transfer scheme (the “Prohibited Conduct”). Absent injunctive relief, the Debtor will likely continue to effectuate the Fraudulent Transfers at the expense of UBS and frustrate or hinder the Debtor’s ability to perform its anticipated Settlement obligations, and any resulting breach of the contemplated Settlement obligations would give rise to substantial damages at the expense of all other unsecured creditors. Emergency relief is needed to avoid this immediate and irreparable harm that will be caused to UBS and the estate.

5. In accordance with Rule 7007-1 of the *Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas* (the “Local Rules”), contemporaneously herewith and in support of this Motion, UBS is filing: (i) its Memorandum of Law and (ii) the *Declaration of Sarah Tomkowiak in Support of Plaintiffs’ Motion for a Temporary Restraining Order and Preliminary Injunction* (the “Tomkowiak Declaration”).

6. As demonstrated by the Memorandum of Law and the evidentiary materials referenced in the Tomkowiak Declaration, UBS is entitled to the relief requested herein as set forth in the Proposed Order.

7. UBS has discussed the issues related to the Motion with the Debtor extensively, and UBS understands that the Debtor does not object to the relief sought herein. UBS therefore respectfully requests that the Court issue the temporary restraining order sought in the Proposed

Order based on the parties' written submissions, pending a subsequent hearing regarding UBS's request for a preliminary injunction against the Debtor.

8. Notice of this Motion will be provided to counsel for the Debtor by email and overnight mail. UBS submits that no other or further notice need be provided.

WHEREFORE, UBS respectfully requests that the Court (i) enter the Proposed Order substantially in the form annexed hereto as Exhibit A granting a temporary restraining order pending a hearing on UBS's request for a preliminary injunction, and (ii) grant UBS such other and further relief as the Court may deem proper.

Dated: March 29, 2021

Respectfully submitted,

/s/ Andrew Clubok

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*Counsel for UBS Securities LLC and UBS
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CERTIFICATE OF CONFERENCE

The undersigned hereby certifies that, on March 23, 2021, counsel for UBS communicated with counsel for the Debtor regarding the relief requested in the Motion. Counsel for the Debtor indicated that the Debtor does not object to the relief sought therein.

Dated: March 29, 2021

/s/ Andrew Clubok

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re	§	Chapter 11
	§	
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UBS SECURITIES LLC AND UBS AG	§	Adversary Proceeding
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ORDER GRANTING PLAINTIFFS' MOTION FOR A TEMPORARY RESTRAINING ORDER

Having considered *Plaintiffs' Motion for a Temporary Restraining Order and Preliminary Injunction* (the "Motion"), *Plaintiffs' Memorandum of Law in Support of Motion for a Temporary Restraining Order and Preliminary Injunction* (the "Memorandum of Law")², and the *Declaration of Sarah Tomkowiak in Support of Plaintiffs' Motion for a Temporary Restraining Order and Preliminary Injunction*, including the exhibits annexed thereto; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. § 1409; and this Court having found that injunctive relief is warranted under section 105(a) of the Bankruptcy Code and that the relief requested in the Motion is in the best interests of the Debtor's estate, its creditors, and other parties-in-interest; and this Court having found that UBS's notice of the Motion was appropriate under the circumstances and that no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Motion and the Memorandum of Law establish good cause for the relief granted herein; and this Court taking note that the Debtor does not object to the relief sought herein; and after due deliberation and sufficient cause appearing therefor and for the reasons set forth in the record on this Motion, it is **HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Memorandum of Law.

2. The Debtor is temporarily enjoined and restrained from making or allowing funds under its management or control (including, but not limited to, Multi-Strat and CDO Fund) to make any payments or further transfers to Sentinel or any of its affiliates or any transferees of the Sentinel Entities consisting of, resulting from, or relating to the Transferred Assets pending a decision of a court of competent jurisdiction as to whether the Transferred Assets were fraudulently transferred to or for the benefit of Sentinel, Dondero, Ellington, and/or any of their affiliates or as part of a fraudulent transfer scheme.

3. All objections to the Motion are overruled in their entirety.

4. The Court shall retain exclusive jurisdiction with respect to all matters arising from or relating to the implementation, interpretation, and enforcement of this Order.

END OF ORDER

Respectfully submitted,

/s/ Andrew Clubok

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